

By: Representative Endt

To: Ways and Means

HOUSE BILL NO. 192

1 AN ACT TO AMEND SECTIONS 43-33-703, 43-33-704, 43-33-717,
2 43-33-729 AND 43-33-759, MISSISSIPPI CODE OF 1972, TO PROHIBIT THE
3 MISSISSIPPI HOME CORPORATION FROM MAKING LOANS OR PROVIDING ANY
4 FORM OF ASSISTANCE FOR THE ACQUISITION OR CONSTRUCTION OF
5 APARTMENTS; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. Section 43-33-703, Mississippi Code of 1972, is
8 amended as follows:

9 43-33-703. For the purposes of this article, the following
10 words shall have the meanings ascribed herein unless the context
11 clearly requires otherwise:

12 (a) "Bonds" or "notes" means the bonds or notes,
13 respectively, issued by the corporation pursuant to this article;

14 (b) "Corporation" means the Mississippi Home
15 Corporation;

16 (c) "Energy conservation loan" means a mortgage loan
17 made to a person of low or moderate income to finance improvements
18 made or to be made to the residential housing owned and occupied
19 by such person for the purposes of conserving energy and reducing
20 the energy costs attributable to such residential housing, and
21 containing such terms and conditions as the corporation may
22 require;

23 (d) "Housing development mortgage loan" means a
24 mortgage loan made to finance or refinance the acquisition,
25 construction or substantial rehabilitation of a housing
26 development, including both construction loans and permanent
27 loans;

28 (e) "Housing development" means any specific work
29 located within the state and made available to persons of low or
30 moderate income for rental or residential housing purposes,
31 including any building, land, equipment, facility or other real or
32 personal property which may be necessary, convenient or desirable
33 in connection therewith including streets, sewers, water and
34 utility services;

35 (f) "Mortgage" means a mortgage, mortgage deed or deed
36 of trust on a fee interest in residential housing or a rental
37 housing development or, on real property in which the fee interest
38 is owned without limitation by a unit of government or other
39 entity created by statute, a leasehold on such a fee interest of a
40 duration satisfactory to the corporation, which shall in all
41 events exceed the term of the security interest created by the
42 mortgagee;

43 (g) "Mortgage lender" means any bank, bank or trust
44 company, trust company, mortgage company, mortgage banker,
45 national banking association, savings bank, savings and loan
46 association, building and loan association, and any other lending
47 institution; provided that such lender is domiciled or qualified
48 to do business in this state;

49 (h) "Mortgage loan" means a financial obligation
50 secured by a mortgage, including any portion thereof or
51 participation therein in any new or existing mortgage loan;

52 (i) "Municipality" means any county, city, town or
53 village of the state;

54 (j) "Persons of low or moderate income" means persons
55 or families, irrespective of race, color, national origin, sex,
56 religion, age or handicap, within the state, who are determined by
57 the corporation to require such assistance as is made available
58 pursuant to this article on account of insufficient personal or
59 family income to reasonably afford decent, safe and sanitary
60 residential or rental housing, taking into consideration, without

61 limitation, such factors as the following: (i) the amount of the
62 total income of such persons and families available for housing
63 needs; (ii) the size of the family; (iii) the cost and condition
64 of residential or rental housing facilities in their locality or
65 in an area reasonably accessible to such locality; (iv) the
66 ability of such persons and families to compete successfully in
67 the normal, private residential or rental housing market and to
68 pay the amounts for which private enterprise is providing
69 sanitary, decent and safe residential or rental housing in their
70 locality or in an area reasonably accessible to such locality; (v)
71 the standards established by various programs of the federal
72 government for determining eligibility based on income of such
73 persons and families and, in the case of projects with respect to
74 which income limits have been established by any agency of the
75 federal government having jurisdiction thereover for the purpose
76 of defining eligibility of low and moderate income families, the
77 corporation may determine that the limits so established shall
78 govern; in all other cases income limits for the purpose of
79 defining low or moderate income persons shall be established by
80 the corporation in its rules and regulations;

81 (k) "Qualified sponsors" means any person, corporation,
82 partnership or association, profit or nonprofit, public or
83 private, which provides or develops residential or rental housing
84 for low and moderate income families;

85 (l) "Residential housing" means a specific work or
86 improvement undertaken to provide an owner-occupied residence
87 within the state, which shall become the principal residence of
88 the owner within a reasonable time after the financing is
89 provided;

90 (m) "State" means the State of Mississippi;

91 (n) "State agency" means any board, authority, agency,
92 department, commission, public corporation, body politic or
93 instrumentality of the state;

94 (o) "Local housing authority" or "regional housing
95 authority" means a public body corporate and politic organized and
96 operating pursuant to Title 43, Chapter 33, Mississippi Code of
97 1972, as amended, or a nonprofit corporation organized under the
98 laws of the State of Mississippi and designated by the United
99 States Department of Housing and Urban Development as a public
100 housing agency within the meaning of Section 3(6) of the United
101 States Housing Act of 1937, as amended.

102 (p) "Apartment" means rooms with space and facilities
103 for sleeping and with space and facilities, or equipment, for
104 preparing and serving meals, which equipment is supplied by the
105 owner or tenant, or both, in a building constructed as a dwelling
106 for two (2) or more families and rented or leased or available for
107 rent or lease.

108 SECTION 2. Section 43-33-704, Mississippi Code of 1972, is
109 amended as follows:

110 43-33-704. (1) There is created by this article the
111 Mississippi Home Corporation, which shall be a continuation of the
112 corporate existence of the Mississippi Housing Finance Corporation
113 and (a) all property, rights and powers of the Mississippi Housing
114 Finance Corporation are vested in, and shall be exercised by, the
115 corporation, subject, however, to all pledges, covenants,
116 agreements, undertakings and trusts made or created by the
117 Mississippi Housing Finance Corporation; (b) all references to the
118 Mississippi Housing Finance Corporation in any other law or
119 regulation shall be deemed to refer to and apply to the
120 corporation; and (c) all regulations of the Mississippi Housing
121 Finance Corporation shall continue to be in effect as the
122 regulations of the corporation until amended, supplemented or
123 rescinded by the corporation in accordance with law.

124 (2) The corporation is created with power to: raise funds
125 from private investors in order to make such private funds
126 available to finance the acquisition, construction, rehabilitation

127 and improvement of residential and rental housing for persons of
128 low or moderate income within the state; provide financing to
129 qualified sponsors or individuals for a wide range of loans
130 including, but not limited to, housing development, mortgage,
131 rehabilitation or energy conservation loans; make loans to private
132 lenders to finance any of these loans; purchase any of these loans
133 from private lenders; refinance, insure or guarantee any of these
134 loans; provide for temporary or partial financing for any of these
135 purposes; develop, operate and administer housing programs which
136 further its stated goals of improving the availability,
137 affordability and quality of low and moderate income housing in
138 the state; and make grants or loans to private nonprofit
139 developers, local governments or private persons in furtherance of
140 these goals. From and after July 1, 1999, the corporation shall
141 not make loans or provide any form of assistance for the
142 acquisition or construction of apartments.

143 (3) The corporation shall be composed of thirteen (13)
144 members. The Governor, with the advice and consent of the Senate,
145 shall appoint the members of the corporation, who shall be
146 residents of the state and shall not hold other public office.
147 There shall be at least one (1) member and not more than three (3)
148 members appointed from each of the five (5) congressional
149 districts in existence on January 1, 1989, and, in addition, (a)
150 from and after September 1, 1980, (i) at least one (1) member
151 shall have at least three (3) years' experience and background in
152 the savings and loan association business, the commercial banking
153 business or the mortgage banking business, (ii) at least one (1)
154 member shall have at least three (3) years' experience and
155 background in the residential housing construction industry, (iii)
156 at least one (1) member shall have at least three (3) years'
157 experience and background in the licensed residential housing
158 brokerage business, and (iv) at least one (1) member shall be a
159 member of the general public not engaged in any business, industry

160 or activity described in clauses (i) through (iii) of this
161 subparagraph; from and after September 1, 1989, (i) at least one
162 (1) member shall have at least three (3) years' experience and
163 background in the manufactured housing business; (ii) at least one
164 (1) member shall have at least three (3) years' experience and
165 background in nonprofit housing development in a Metropolitan
166 Statistical Area (MSA); (iii) at least one (1) member shall have
167 at least three (3) years' experience and background in nonprofit
168 housing development outside a MSA; and (iv) at least (1) member
169 shall be a low or moderate income person qualified for assistance
170 under this article.

171 (4) Appointments shall be for terms of four (4) years. Each
172 member shall hold office until his successor has been appointed
173 and qualified. Vacancies shall be filled by appointment of the
174 Governor, subject to the advice and consent of the Senate, for the
175 length of the unexpired term only. Any member of the corporation
176 shall be eligible for reappointment. Any member of the
177 corporation may be removed by the Governor for misfeasance,
178 malfeasance or willful neglect of duty after reasonable notice and
179 a public hearing, unless the same are expressly waived in writing.
180 Each member of the corporation shall before entering upon his duty
181 take an oath of office to administer the duties of his office
182 faithfully and impartially, and a record of such oath shall be
183 filed in the office of the Secretary of State. The corporation
184 shall annually elect from its membership a chairman who shall be
185 eligible for reelection. The corporation shall annually elect
186 from its membership a vice chairman who shall be eligible for
187 reelection. The corporation shall also elect or appoint, and
188 prescribe the duties of, such other officers (who need not be
189 members) as the corporation deems necessary or advisable, and the
190 corporation shall fix the compensation of such officers. The
191 corporation may delegate to one or more of its members, officers,
192 employees or agents such powers and duties as it may deem proper,

193 not inconsistent with this article or other provisions of law.

194 (5) The Executive Director of the Department of Economic
195 Development, the Director of the Veterans' Home Purchase Board and
196 the State Treasurer shall serve as ex officio members of the
197 corporation.

198 (6) In accomplishing its purposes, the corporation is acting
199 in all respects for the benefit of the people of the state and the
200 performance of essential public functions and is serving a vital
201 public purpose in approving and otherwise promoting their health,
202 welfare and prosperity, and the enactment of the provisions
203 hereinafter set forth is for a valid public purpose and is hereby
204 so declared to be such as a matter of express legislative
205 determination.

206 (7) It is the intention of the Legislature by the enactment
207 of this Section 43-33-704 to effect a recodification of the
208 substance of the provisions of Section 43-33-507 as such section
209 existed prior to its repeal by Laws, 1991, Chapter 528; and the
210 creation of this new Section 43-33-704 shall not be construed to
211 require that members of the corporation serving on June 30, 1991,
212 who were appointed and confirmed under Section 43-33-507, be
213 reappointed and reconfirmed in order to continue to serve out the
214 remainder of their terms.

215 SECTION 3. Section 43-33-717, Mississippi Code of 1972, is
216 amended as follows:

217 43-33-717. (1) The corporation shall have all the powers
218 necessary or convenient to carry out and effectuate the purposes
219 and provisions of this article, including, but without limiting
220 the generality of the foregoing, the power:

221 (a) To make and alter bylaws for its organization and
222 internal management;

223 (b) To sue and be sued, have a seal and alter the same
224 at pleasure, and maintain an office at such place or places in the
225 state as it may determine;

226 (c) To appoint officers, agents and employees,
227 prescribe their duties and qualifications, and fix their
228 compensation;

229 (d) To acquire real or personal property, or any
230 interest therein, by purchase, exchange, gift, assignment,
231 transfer, foreclosure, lease, condemnation or otherwise, including
232 rights or easements; to hold, manage, operate or improve real or
233 personal property; to sell, assign, exchange, lease, encumber,
234 mortgage or otherwise dispose of any real or personal property, or
235 any interest therein, or deed of trust or mortgage lien interest
236 owned by it or under its control, custody or in its possession and
237 release or relinquish any right, title, claim, lien, interest,
238 easement or demand however acquired, including any equity or right
239 of redemption in property foreclosed by it and to do any of the
240 foregoing by public sale;

241 (e) To make and execute agreements, contracts and other
242 instruments necessary or convenient to the exercise of the powers
243 and functions of the corporation under this article;

244 (f) To employ or contract with architects, engineers,
245 attorneys, accountants, financial experts and other advisors as
246 may be necessary in its judgment and to fix and pay their
247 compensation;

248 (g) To make and execute contracts for the
249 administration, servicing or collection of any mortgage loan and
250 pay the reasonable value of services rendered to the corporation
251 pursuant to such contracts;

252 (h) To contract for the employment of a financial
253 advisor, underwriting attorneys, trustees, paying agents,
254 depositories or any consultants retained in connection with the
255 issuance of any bonds or notes including refunding bonds or notes
256 or dealing with the disposition of any proceeds thereof;

257 (i) To issue negotiable bonds and notes and to provide
258 for the rights of the holders thereof;

259 (j) Subject to any agreement with bondholders or
260 noteholders, to sell any mortgage loans at public or private sale
261 at the fair market value for such a mortgage; and

262 (k) Subject to any agreement with bondholders and
263 noteholders, to make, alter or repeal such rules and regulations
264 with respect to the operations, properties and facilities of the
265 corporation as are necessary to carry out its functions and duties
266 in the administration of this article.

267 (2) Subject to the provisions of subsection (6) of this
268 section, the corporation shall also have the power:

269 (a) To make loans to mortgage lenders for the purpose
270 of:

271 (i) Making housing development mortgage loans to
272 qualified sponsors for low and moderate income rental or
273 residential housing;

274 (ii) Making loans to low and moderate income
275 purchasers of residential housing with preference to those who are
276 displaced from adequate housing as a result of a major disaster,
277 whether it be a man-made, technological or natural disaster, upon
278 a declaration by the Governor that a major disaster exists in the
279 state;

280 (b) To purchase from mortgage lenders any of the loans
281 enumerated in subparagraphs (i) and (ii);

282 (c) To insure, reinsure or guarantee any of the types
283 of loans enumerated in subparagraphs (i) and (ii);

284 (d) To make, in such amounts and upon such terms and
285 conditions as the corporation shall approve, temporary loans,
286 preconstruction loans, interim financing loans to any qualified
287 sponsor and permanent financing to any qualified sponsor of
288 multifamily housing.

289 (3) The corporation shall also have the power to make loans
290 from funds not otherwise encumbered by pledge or indenture to low
291 and moderate income persons for the following purposes:

292 (a) Purchasing, improving or rehabilitating existing
293 residential housing and occupied by the owners;

294 (b) Making loans to qualified nonprofit sponsors, to
295 local housing authorities and to owners of residential housing for
296 the development, construction, purchase, rehabilitation,
297 weatherization or maintenance of residential housing.

298 (4) Using funds not otherwise encumbered by pledge or
299 indenture, the corporation may:

300 (a) Establish a rental assistance program;

301 (b) Provide such advisory consultation, training and
302 educational services as will assist in the planning, construction,
303 rehabilitation and operation of housing, including but not limited
304 to, assistance in community development and organization, home
305 management and advisory services for residents, and in promotion
306 of community organizations and local governments to assist in
307 developing housing;

308 (c) Encourage research and demonstration projects to
309 develop new and better methods for increasing the supply, types
310 and financing of housing and to receive and accept contributions,
311 grants or aid from any source, public or private, including but
312 not limited to the United States and this state, for carrying out
313 this purpose;

314 (d) Encourage and stimulate cooperatives and other
315 forms of housing with tenant participation;

316 (e) Promote innovative programs for home ownership,
317 including but not limited to lease-purchase programs,
318 employer-sponsored housing programs, tenant cooperatives and
319 nonprofit associations;

320 (f) Design and support programs to address special
321 needs groups including, but not limited to, handicapped, disabled,
322 elderly, homeless, HIV/AIDS carriers and families with children;

323 (g) Develop a comprehensive plan for, and engage in a
324 yearly planning process for, addressing the housing needs of low

325 and moderate income persons in Mississippi.

326 (5) The corporation also has the power:

327 (a) To procure, or require the procurement of,
328 insurance against any loss in connection with its operations,
329 including without limitation the repayment of any mortgage loan or
330 loans, in such amounts and from such insurers, including the
331 federal government, as it may deem necessary or desirable, and to
332 pay any premiums therefor;

333 (b) Subject to any agreement with bondholders or
334 noteholders: (i) to renegotiate any loan in default; (ii) to
335 waive any default or consent to the modification of the terms of
336 any loan or agreement; (iii) to commence, prosecute and enforce a
337 judgment in any action or proceeding, including without limitation
338 a foreclosure proceeding, to protect or enforce any right
339 conferred upon it by law, mortgage loan agreement, contract or
340 other agreement; and in connection with any such proceeding, to
341 bid for and purchase the property or acquire or take possession
342 thereof and, in such event, complete, administer and pay the
343 principal of and interest on any obligations incurred in
344 connection with such property and dispose of and otherwise deal
345 with such property in such manner as the corporation may deem
346 advisable to protect its interest therein;

347 (c) To fix, revise, charge and collect fees and other
348 charges in connection with the making of loans, the purchasing of
349 mortgage loans, and any other services rendered by the
350 corporation;

351 (d) To arrange for guarantees of its bonds, notes or
352 other obligations by the federal government or by any private
353 insurer and to pay any premiums therefor;

354 (e) Notwithstanding any law to the contrary, but
355 subject to any agreement with bondholders or noteholders, to
356 invest money of the corporation not required for immediate use,
357 including proceeds from the sale of any bonds or notes;

358 (i) In obligations of any municipality or the
359 state or the United States of America;

360 (ii) In obligations the principal and interest of
361 which are guaranteed by the state or the United States of America;

362 (iii) In obligations of any corporation wholly
363 owned by the United States of America;

364 (iv) In obligations of any corporation sponsored
365 by the United States of America which are, or may become, eligible
366 as collateral for advances to member banks as determined by the
367 Board of Governors of the Federal Reserve System;

368 (v) In obligations of insurance firms or other
369 corporations whose investments are rated "A" or better by
370 recognized rating companies;

371 (vi) In certificates of deposit or time deposits
372 of qualified depositories of the state as approved by the State
373 Depository Commission, secured in such manner, if any, as the
374 corporation shall determine;

375 (vii) In contracts for the purchase and sale of
376 obligations of the type specified in items (i) through (v) above;

377 (viii) In repurchase agreements secured by
378 obligations specified in items (i) through (v) above;

379 (ix) In money market funds, the assets of which
380 are required to be invested in obligations specified in items (i)
381 through (vi) above;

382 (f) Subject to any agreement with bondholders or
383 noteholders, to purchase, and to agree to purchase, bonds or notes
384 of the corporation at a price not exceeding: (i) if the bonds or
385 notes are then redeemable, the redemption price then applicable
386 plus accrued interest to the date of purchase; or (ii) if the
387 bonds or notes are not then redeemable, the redemption price
388 applicable on the first date after such purchase upon which the
389 notes or bonds become subject to redemption at the option of the
390 corporation plus accrued interest to the date of purchase;

391 (g) Subject to the provisions of this article, to
392 contract for and to accept any gifts, grants or loans of funds or
393 property or financial or other aid in any form from federal, state
394 or local governments, private or public entities, or individuals;

395 (h) To enter into agreements or other transactions with
396 the federal or state government, any agency thereof or any
397 municipality in furtherance of the purposes of this article; to
398 operate and administer loan programs of the federal government,
399 the State of Mississippi, or any governmental agency thereof; and
400 to operate and administer any program of housing assistance for
401 persons and families of low or moderate income, however funded;

402 (i) To establish a benevolent loan fund, housing
403 development fund, or such additional and further funds as may be
404 necessary and desirable to accomplish any corporate purpose or to
405 comply with the provisions of any agreement made by the
406 corporation or any resolution approved by the corporation. The
407 resolution establishing such a fund shall specify the source of
408 monies from which it shall be funded and the purposes for which
409 monies held in the fund shall be disbursed;

410 (j) In carrying out the provisions of this article, the
411 corporation shall cooperate with the housing authorities created
412 under Sections 43-33-1 through 43-33-69 and Sections 43-33-101
413 through 43-33-137, Mississippi Code of 1972;

414 (k) To accept letters of credit and other credit
415 facilities necessary to make loans authorized herein to repay
416 bonds or notes issued by the corporation;

417 (l) To do any and all things necessary or convenient to
418 carry out its purposes and exercise the powers given and granted
419 in this article.

420 (6) From and after July 1, 1999, the corporation shall not
421 make loans or provide any form of assistance for the acquisition
422 or construction of apartments.

423 SECTION 4. Section 43-33-729, Mississippi Code of 1972, is

424 amended as follows:

425 43-33-729. (1) The corporation may from time to time issue
426 its negotiable bonds and notes in such principal amounts as, in
427 the opinion of the corporation, shall be necessary to provide
428 sufficient funds for achieving the corporate purposes thereof,
429 including operating expenses and reserves, the payment of interest
430 on bonds and notes of the corporation, establishment of reserves
431 to secure such bonds and notes, and all other expenditures of the
432 corporation incident to and necessary or convenient to carry out
433 its corporate purposes and powers. From and after July 1, 1999,
434 the corporation shall not issue bonds for the purpose of making
435 loans or providing any form of assistance for the acquisition or
436 construction of apartments. Provided, except as otherwise
437 authorized herein, bonds and notes shall not be issued under this
438 article in an aggregate principal amount exceeding One Hundred
439 Ninety Million Dollars (\$190,000,000.00), excluding bonds and
440 notes issued to refund outstanding bonds and notes.

441 (2) The provisions of Sections 75-71-1 through 75-71-57,
442 Mississippi Code of 1972 (the "Mississippi Securities Act"), shall
443 not apply to bonds and notes issued under the authority of this
444 article, and no application for a formal exemption from the
445 provisions of such act shall be required with respect to such
446 bonds and notes.

447 (3) Except as may otherwise be expressly provided by the
448 corporation, all bonds and notes issued by the corporation shall
449 be general obligations of the corporation, secured by the full
450 faith and credit of the corporation and payable out of any monies,
451 assets or revenues of the corporation, subject only to any
452 agreement with the bondholders or noteholders pledging any
453 particular monies, assets or revenues.

454 The corporation may issue bonds or notes to which the
455 principal and interest are payable:

456 (a) Exclusively from the revenues of the corporation

457 resulting from the use of the proceeds of such bonds or notes; or

458 (b) Exclusively from any particular revenues of the
459 corporation, whether or not resulting from the use of the proceeds
460 of such bonds or notes.

461 (4) Any bonds or notes issued by the corporation may be
462 additionally secured:

463 (a) By private insurance, by a direct pay or standby
464 letter of credit, or by any other credit enhancement facility
465 procured by the corporation for the payment of any such bonds;

466 (b) By a pledge of any grant, subsidy or contribution
467 from the United States or any agency or instrumentality thereof,
468 or from the state or any agency, instrumentality or political
469 subdivision thereof, or from any person, firm or corporation; or

470 (c) By the pledge of any securities, funds or reserves
471 (or earnings thereon) available to the corporation.

472 (5) Bonds and notes issued by the corporation shall be
473 authorized by a resolution or resolutions of the corporation
474 adopted as provided for by this article; provided, that any such
475 resolution authorizing the issuance of bonds or notes may delegate
476 to an officer or officers of the corporation the power to issue
477 such bonds or notes from time to time and to fix the details of
478 any such issues of bonds or notes by an appropriate certification
479 of such authorized officer.

480 (6) Except as specifically provided in this article, no
481 notice, consent or approval by any governmental body or public
482 officer shall be required as a prerequisite to the issuance, sale
483 or delivery of any bonds or notes of the corporation pursuant to
484 the provisions of this article. However, all bonds or notes
485 issued pursuant to this article may be validated, except as
486 otherwise provided in this section, in accordance with the
487 provisions of Sections 31-13-1 through 31-13-11, Mississippi Code
488 of 1972, in the same manner as provided therein for bonds issued
489 by a municipality. Any such validation proceedings shall be held

490 in the First Judicial District of Hinds County, Mississippi.
491 Notice thereof shall be given by publication in any newspaper
492 published in the City of Jackson, Mississippi, and of general
493 circulation throughout the state.

494 (7) It is hereby determined that the corporation is the sole
495 entity in the state authorized to issue bonds or notes for the
496 purposes of financing low and moderate income rental or
497 residential housing as set forth in this article. In addition,
498 the corporation shall have the power to issue mortgage credit
499 certificates, as provided by Section 25 of the Internal Revenue
500 Code of 1954, as amended, and to comply with all of the terms and
501 conditions set forth in Section 25, as the same may be amended
502 from time to time.

503 SECTION 5. Section 43-33-759, Mississippi Code of 1972, is
504 amended as follows:

505 43-33-759. There is hereby created in the State Treasury a
506 special fund to be known as the Mississippi Affordable Housing
507 Development Fund to be administered as a revolving fund for the
508 provision of affordable housing to very low income, low income,
509 and moderate income persons. The fund shall be used exclusively
510 to support programs created or administered by the Mississippi
511 Home Corporation under the powers granted to it by law. To this
512 fund shall be deposited all loan repayments, penalties, and other
513 fees and charges accruing to the fund, and any appropriations,
514 donations, gifts, grants or loans which may be made thereto;
515 however, no bond funds shall be deposited into the special fund
516 unless authorized by the Legislature. From and after July 1,
517 1999, monies in the fund shall not be used for the purpose of
518 making loans or providing any form of assistance for the
519 acquisition or construction of apartments. Monies in the fund
520 which are not currently needed for the programs of the Home
521 Corporation shall be invested by the State Treasurer in such
522 securities as are authorized for the investment of funds of the

523 Home Corporation in Section 43-33-717(3)(e). The interest
524 received on any such investment shall be credited to the fund.
525 Monies remaining in the special fund at the end of a fiscal year
526 shall not lapse into the state General Fund.

527 The State Fiscal Management Board is authorized and directed
528 to draw warrants upon such funds from time to time upon
529 requisition of the Home Corporation executed by its executive
530 director, and the State Treasurer is hereby authorized and
531 directed to pay such warrants. The Home Corporation shall have
532 continuing authority to expend funds up to the maximum amount
533 received into the special fund.

534 SECTION 6. This act shall take effect and be in force from
535 and after July 1, 1999.